GOVERNMENT OF INDIA
URBAN DEVELOPMENT AND POVERTY ALLEVATION
LOK SABHA

UNSTARRED QUESTION NO:1909
ANSWERED ON:04.03.2003
NON PAYMENT OF TAXES ON CENTRAL GOVERNMENT ASSETS AND PROPERTIES
S. AJAYA KUMAR

Will the Minister of URBAN DEVELOPMENT AND POVERTY ALLEVATION be pleased to state:

(a) whether the Government are aware of the problems being faced by the local bodies arising out of non-payment of taxes on Central Government Assets and Properties;

(b) if so, the details thereof;

(c) whether it is a fact that the building plans of the Central Government establishments are not submitted to the local bodies for sanction; and

(d) if so, the steps the Government propose to take in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT & POVERTY ALLEVIATION (SHRI PON RADHAKRISHNA)

(a)&(b): As per Article 285(1) of the Constitution, the properties of the Union Shall, save in so far as Parliament may by law, otherwise provide, be exempt from all taxes imposed by a State or by any authority within a State. However, such properties are subject to payment of service charges to Urban Local Bodies for the services rendered by the latter to former. This ranges from 33-1/3% to 75% of the tax payable in respect of private properties. In view of this, Central Government properties are paying the service charges as per the prevalent instructions.

(c)&(d): Plans of all building constructed by Central Public Works Department (CPWD)are submitted to local bodies for obtaining their approval wherever such approval is essentially required.